

**WILLMAR CITY COUNCIL PROCEEDINGS**  
**COUNCIL CHAMBERS**  
**WILLMAR MUNICIPAL UTILITIES BUILDING**  
**WILLMAR, MINNESOTA**

May 5, 2003  
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Lester Heitke. Members present on a roll call were Mayor Heitke, Council Members Doug Reese, Bruce DeBlieck, Denis Anderson, Nancy Houlahan, Rick Fagerlie, Jim Dokken, and David Chapin; Present 8, Absent 1 – Council Member Ron Christianson was excused from the meeting.

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Police Chief Jim Kulset, Fire Chief Marv Calvin, Public Works Director Mel Odens, Finance Director Steven Okins, Planning and Development Services Director Bruce Peterson, Community Education and Recreation Director Steve Brisendine, and City Clerk Kevin Halliday.

Proposed additions to the agenda included an Arbor Day Proclamation.

The Municipal Utilities Commission Minutes of April 28, 2003, were removed from the Consent Agenda.

Council Member Reese offered a motion adopting the Consent Agenda which included the following: City Council Minutes of April 21, Rice Hospital Board Minutes of April 22, Planning Commission Minutes of April 23, Building Inspection Report for April, Police Civil Service Commission Minutes of January 22, Airport Commission Minutes of April 1, and Kandiyohi Area Transit Minutes of April 2 and 15, 2003. Council Member Anderson seconded the motion, which carried.

The Mayor and Council discussed an item in the Municipal Utilities Commission Minutes relating to an Allied Power/En-Tel Communications capital call. Council Member DeBlieck moved to approve the MUC Minutes of April 28, 2003, with Council Member Fagerlie seconding the motion, which carried.

At 7:08 p.m. Mayor Heitke opened the assessment hearing for 2003 Street and Other Improvements (Projects 0301 and 0302). Public Works Director Odens presented the 2003 Project and reviewed the proposed assessments. The breakdown per lineal foot was set at \$42.00 with no assessments for sanitary sewer and water improvements, except in new development areas. Mayor Heitke read correspondence from Myron and Ellen Radel objecting to the proposed assessments. There being no one present to speak for or against the proposed assessments, Mayor Heitke closed the hearing at 7:23 p.m.

Following discussion, Resolution No. 1 was introduced by Council Member Reese, seconded by Council Member DeBlieck, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

**RESOLUTION NO. 1**

**ADOPTING ASSESSMENT ROLL**

WHEREAS, pursuant to notice duly given as required by law, the City Council has met, heard, and passed upon all objections to the proposed assessment for 2003 Street and Other

Improvements, and has amended such proposed assessment as it deems just;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, as follows:

1. Such proposed assessment, the sum of \$959,631.95, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein is hereby found to be benefited by the proposed improvement.

2. Such assessments shall be as follows:

A. The assessments shall be payable in equal annual installments extending over a period of ten (10) years, the first of said installments to be payable with general taxes for the year 2004, collectible with such taxes during the year 2004.

B. To the first installment shall be added interest at the rate of six (6) percent per annum on the entire principal amount of the assessment from the date of the bond sale, approximately July 7, 2003, until December 31, 2004. To each subsequent installment, when due there shall be added interest for one year at said rate on the unpaid principal amount of the assessment.

C. The owner of any property so assessed may at any time prior to the certification of the assessment or the first installment thereof to the County Auditor (Treasurer), pay the whole of the principal amount of the assessment on such property with interest accrued to the date of payment to the City Clerk-Treasurer, except that no interest shall be charged if the entire assessment is paid by October 31, 2003, and such property owner may at any time prior to November 15 of any year pay to the City Clerk-Treasurer the entire principal amount.

3. The City Clerk-Treasurer shall forthwith transmit a certified duplicate copy of this assessment to the County Auditor to be extended on the tax list of the County.

Dated this 5<sup>th</sup> day of May, 2003.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

At 7:23 p.m. Mayor Heitke opened a hearing on an Ordinance Extending the Corporate Limits of the City of Willmar. Planning and Development Services Director Peterson informed the Mayor and Council that Irene Nelson has filed a petition to annex a 20-acre piece of land, which is being traded with Mills Properties to facilitate development of the future Mills project. It was noted the Planning Commission has reviewed and recommends the annexation be approved. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:29 p.m.

Council Member Reese offered a motion to adopt, assign a number, and order final

publication of the Ordinance Extending the Corporate Limits of the City of Willmar. Council Member Fagerlie seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

At 7:29 p.m. Mayor Heitke opened a hearing on an Ordinance Detaching Land from the Corporate Limits of the City of Willmar. Planning and Development Services Director Peterson informed the Mayor and Council that Mills Properties filed a petition to detach a 20-acre site to be traded back to Irene Nelson. It was noted the Planning Commission has reviewed and recommends the detachment be approved. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:30 p.m.

Council Member Reese offered a motion to adopt, assign a number, and order final publication of the Ordinance Detaching Land from the Corporate Limits of the City of Willmar. Council Member DeBlieck seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Mayor Heitke recognized Bill Appelgren who appeared to address the City Council during its scheduled Open Forum. Mr. Appelgren voiced concerns with no handicap curb cut at the intersection of Kandiyohi Avenue and 3<sup>rd</sup> Street Southwest. The matter was referred to staff for review.

The Finance Committee Report for April 28, 2003, was presented to the Mayor and Council by Council Member Anderson. There were four items for Council consideration.

Item No. 1 Representatives from the Kandiyohi County Historical Society returned to the Committee to discuss the condition of the Sperry House facility and to inquire if the City would be willing to increase funding to fix the roof. The estimate to repair the roof and related items was approximately \$ 40,000. There was only an estimate at this time due to no contractors bidding on the project because of condition of the roof boards is not known at this time. The amount budgeted by the City in 2003 was \$20,000.

The Committee discussed present budget concerns and was presented to the Council with no recommendation.

Mayor Heitke recognized Verna Kelly, representing the Kandiyohi County Historical Society, who requested the Council to provide clear direction for or against the preservation of the Sperry House. Ms. Kelly noted that fundraising could commence with full knowledge of the Council's intent to set funds aside for the house preservation.

Council Member Fagerlie moved to support the renovation of the Sperry House beginning with a contribution of \$40,000 in 2003 for a proposed roof replacement project. It was noted that only \$20,000 had been appropriated for the Sperry House in 2003. Council Member Fagerlie moved to support the entire renovation program and that the \$20,000 in required additional funding for 2003 be provided from the 2003 Improvement Program Path Lighting Project. Council Member Chapin seconded the motion, which carried.

Item No. 2 The Committee reviewed a draft ordinance that would implement a \$2.00 monthly charge on customers receiving a utility bill for sewer services. This charge would be dedicated for the repair and replacement of water and sewer lines in future City improvement projects.

Following clarification from Utility General Manager Nitchals about the billing process, the Committee was recommending the Council introduce an ordinance to implement the change in sewer utility rates and set a public hearing on May 19, 2003. Council Member Anderson moved to approve the recommendation of the Finance Committee with Council Member Dokken seconding

the motion, which carried.

Item No. 3 The Committee reviewed a proposed budget calendar for the 2004 budget process, and was recommending to the Council that the budget calendar be approved as presented. Council Member Anderson moved to approve the recommendation of the Finance Committee with Council Member Dokken seconding the motion, which carried.

Item No. 4 The Committee reviewed the following reports: March Rice Hospital, Cash/Investment Position, and first quarter Investment and Interest and Dividends. The Committee pointed out that Rice Hospital was down compared to the same period from 2002 and that CEO Massa would be attending a future meeting to answer any questions. This matter was for information only.

The Finance Committee Report for April 28, 2003, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Anderson, seconded by Council Member Dokken, and carried.

The Public Works/Safety Committee Report for April 30, 2003, was presented to the Mayor and Council by Council Member Reese. There were eight items for Council consideration.

Item No. 1 City Administrator Schmit reviewed correspondence from Don Spilseth regarding water service repair and informed the Committee that the City followed a policy dated 1982 whereby commercial property such as this would pay for repairs to water services. The leak was noticed in the spring of 2002 in 6<sup>th</sup> Street SW, and McLane Plumbing was hired and repaired it. Willmar Municipal Utilities informed Mr. Spilseth that the cost to repair the service line was the owner's responsibility. Mr. Spilseth felt it is the City's responsibility to pay McLane Plumbing for the repair work.

Following discussion, the Committee requested staff to review the situation and the impacts of revising the policy and also discuss the issue with Willmar Municipal Utilities. This matter was for information only.

Item No. 2 The Wastewater Treatment Plant Biofilter Phase I Project and proposed budget was brought back to Committee from a previous meeting. Assistant City Engineer Bollig explained the odor mitigation project and noted staff's recommendation is to have the City act as general contractor. The Committee reviewed a project schedule and noted the work will be done by WWTP and Public Works staff. The proposed odor mitigation improvements will consist of the Phase I Biofilter, modified trickling filter recycle, and miscellaneous other odor improvement solutions. The estimated cost for improvements is \$298,000 of which \$194,000 is for Phase I of the Biofilter construction.

A preliminary budget, which detailed the various cost items, was reviewed with financing to come from the Waste Treatment Operating Budget and Waste Treatment Reserves. The Committee was recommending the Council adopt the budget as presented and proceed with the project.

Resolution No. 2 was introduced by Council Member Reese, seconded by Council Member Houlahan, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

## RESOLUTION NO. 2

PRELIMINARY BIOFILTER BUDGET  
ESTIMATED TOTAL COST \$298,000

PERSONNEL SERVICES:

Overtime Reg. Employees	\$ 3,000.00
Total:	\$ 3,000.00

SUPPLIES:

Mtce. Of Other Improvements	\$ 90,600.00
Total:	\$ 90,600.00

OTHER SERVICES:

Mtce. of Other Impr.	\$169,000.00
Other Services	25,000.00
Total	\$194,000.00

OTHER CHARGES:

Rents	\$ 1,400.00
Licenses & Taxes	9,000.00
Total:	\$ 10,400.00

GRAND TOTAL: \$298,000.00

Dated this 5<sup>th</sup> day of May, 2003.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday

Attest: CITY CLERK

Item No. 3 The Committee reviewed bids received for Project No. 0303 - 2003 First Street Mill and Overlay Improvements. Three bids were received with low bidder being Central Specialties. Following discussion, the Committee was recommending the Council award the contract to the low bidder, and authorize the Mayor and City Administrator to sign on behalf of the City.

Resolution No. 3 was introduced by Council Member Reese, seconded by Council Member DeBleck, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 3

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, that the bid of Central Specialties Inc. of Alexandria, Minnesota for City Project No. 0303 – 2003 First Street Mill and Overlay Improvements is accepted, and be it further resolved that the Mayor and City Administrator of the City of Willmar are hereby authorized to enter into an agreement with the bidder for the terms and consideration of the contract in the amount of \$276,674.25.

Dated this 5<sup>th</sup> day of May, 2003.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

The Committee reviewed bids received for Project No. 0304 - 2003 Northwest Water Main Improvements. After review of all the bids, the Committee was recommending the Council award the contract to the low base bidder and authorize the Mayor and City Administrator to sign on behalf of the City.

Resolution No. 4 was introduced by Council Member Reese, seconded by Council Member Houlahan, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

#### RESOLUTION NO. 4

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, that the bid of Quam Construction Company, Inc. of Willmar, Minnesota for City Project No. 0304 – 2003 Northwest Water Main Improvements is accepted, and be it further resolved that the Mayor and City Administrator of the City of Willmar are hereby authorized to enter into an agreement with the bidder for the terms and consideration of the contract in the amount of \$367,392.00.

Dated this 5<sup>th</sup> day of May, 2003.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 4 The Committee reviewed the proposal of S.E.H. for professional services to upgrade traffic signal operations and bring signal systems along T.H. 12 up to current design standards. Following discussion, the Committee was recommending the Council accept the agreement in the not-to-exceed amount of \$31,000.00 which includes reimbursable expenses and authorize the Mayor and City Administrator to enter into an agreement on behalf of the City.

Resolution No. 5 was introduced by Council Member Reese, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

#### RESOLUTION NO. 5

Whereas the City of Willmar desires to retain a consultant to provide professional engineering services for upgrading six traffic signals along TH 12 to current design standards for the City of Willmar; and

Whereas a proposal has been made and an agreement prepared to retain the firm of Short Elliott Hendrickson Inc. of St. Paul, Minnesota in a not to exceed amount of \$31,000.00 which includes reimbursable expenses for said services to be funded from the 2003 Improvements Budget;

Now therefore be it resolved by the City Council of the City of Willmar that said agreement be approved and that the Mayor and City Administrator be authorized to execute the same.

Dated this 5<sup>th</sup> day of May, 2003.

/s/ Lester Heitke

MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 5 The Committee reviewed a request from Triple R Development to consider expanding water and sewer services to 10 lots within Lakewood North Plat. Due to the timing of this request, a cash agreement with the Developer is needed. The Project consists of 630 LF of sanitary sewer and 340 LF of water main along with ten sewer and water service lines. The work can be added to Project No. 0302, which is scheduled for a May bid opening.

The Committee was recommending the Council amend the Improvement Report and add the Developer's request to Project No. 0302. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member Houlahan seconding the motion, which carried.

Item No. 6 The Committee considered a revised budget for the 2003 Improvements. The revisions include accurate figures for four projects that have that been let (0301, 0303, 0304 and the seal coat). The Committee was recommending the Council amend the budget at presented.

Resolution No. 6 was introduced by Council Member Reese, seconded by Council Member Houlahan, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 6

2003 IMPROVEMENTS BUDGET  
ESTIMATED TOTAL COST \$2,897,108.00

PERSONNEL SERVICES:

Overtime Reg. Employees	\$ 500.00
Salaries Temp. Employees	6,000.00
Employer Pension Contr.	<u>1,500.00</u>
Total:	\$8,000.00

SUPPLIES:

Office Supplies	\$ 1,500.00
Small Tools	2,000.00
Motor Fuels & Lubricants	1,000.00
Postage	2,000.00
Mtce. Of Other Improvements	12,000.00
General Supplies	<u>3,500.00</u>
Total:	\$22,000.00

OTHER SERVICES:

Printing & Publishing	\$ 2,000.00
Mtce. of Other Impr.(Cntrt)	1,853,445.00
Other Services	<u>699,163.00</u>
Total	\$2,554,608.00

OTHER CHARGES:

Licenses & Taxes	\$ 1,500.00
Professional Services	65,000.00

RECEIVABLES:

Property Owners	\$ 600,000.00
City-MUC(Pump Station)	343,953.00
TB Account	140,000.00
State Aid	998,814.00
City-WTP	385,000.00
City-Transfer 2002	34,638.00
Developer Agree	344,099.00
City-MUC (Water Main)	25,604.00
City (2003 PW Parks)	<u>25,000.00</u>
Total:	\$2,897,108.00

FINANCING:

Bonds	\$ 600,000.00
State	1,138,824.00
City	444,638.00
Devel Agreement	344,089.00
MUC	<u>369,557.00</u>
Total:	\$2,897,108.00

Adm. OH (Transfer)	200,000.00
Other Charges	<u>45,000.00</u>
Total:	\$ 312,500.00

GRAND TOTAL: \$2,897,108.00  
Dated this 5<sup>th</sup> day of May, 2003.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 7 The Committee reviewed a request by HNTB for consideration to amend their professional services agreement for Phase III – Land Acquisition . The request for additional money is due to a change in the scope of services related to the acquisition phase of the new Airport caused by delays and more condemnation proceedings that what was originally scoped. After discussion regarding HNTB’s ability to keep the Project on schedule and the costs to a minimum, the Committee was informed that staff will require monthly updates.

The Committee was recommending the Council amend the scope of services and revise the budget accordingly. Resolution No. 7 was introduced by Council Member Reese, seconded by Council Member Houlahan, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 1 – Council Member Chapin voted “No.”

#### RESOLUTION NO. 7

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the Mayor and City Administrator of the City of Willmar are hereby authorized to enter into a contract amendment to supplement the agreement between the City of Willmar and HNTB Corporation. The supplement includes a change to Phase Three for land acquisition for the new airport.

BE IT FURTHER RESOLVED, the original contract amount of \$235,722.00 is hereby amended by \$101,573.00 in addition to two other amendments, for a total not to exceed figure of \$373,515.00.

Dated this 5<sup>th</sup> day of May, 2003.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Resolution No. 8 was introduced by Council Member Reese, seconded by Council Member Houlahan, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 1 – Council Member Chapin voted “No.”

#### RESOLUTION NO. 8



REVISED PRELIMINARY BUDGET  
AIRPORT IMPROVEMENT PROJECT  
ESTIMATED TOTAL COST \$6,028,004.91

\*Budget Amounts are Essential

PERSONNEL SERVICES:

Salaries Reg. Employees	\$8,175.00
Employer Pension Contr.	883.00
Employer Ins. Contr.	<u>827.38</u>
TOTAL	\$9,885.38

RECEIVABLES:

Federal	\$4,637,235.26
State	438,498.49
City (Industrial Dev. Fund)	<u>952,271.16</u>
TOTAL	\$6,028,004.91

SUPPLIES:

Office Supplies	\$2,500.00
Small Tools	2,000.00
Motor Fuels & Lubricants	1,500.00
Postage	1,000.00
General Supplies	<u>86,300.00</u>
TOTAL	\$93,300.00

FINANCING:

Federal	\$4,637,235.26
State	438,498.49
City	<u>952,271.16</u>
TOTAL	\$6,028,004.91

OTHER SERVICES:

Communications	\$2,500.00
Printing & Publishing	3,000.00
Travel-Conf.-School	1,000.00
Mtce. Of Other Improvements	<u>2,105,673.47</u>
TOTAL	\$2,112,173.47

OTHER CHARGES:

Prof. Serv. (HNTB)	\$1,252,989.63
Advertising	2,500.00
Adm. OH (Transfer)	91,686.53
Other Charges (Land)	<u>2,465,469.90</u>
TOTAL	\$3,812,646.06

GRAND TOTAL                      \$6,028,004.91

Dated this 5<sup>th</sup> day of May, 2003.

/s/ Lester Heitke

MAYOR

/s/ Kevin Halliday

Attest: CITY CLERK

Item No. 8     The Committee discussed the flashing lights at Rice Hospital, and staff was directed to review the operation of the flashing lights at the Trott Avenue entrance to Rice Hospital. The Committee also discussed a meeting with Senator Dayton regarding the new Airport. Senator Dayton has requested to be kept up-to-date on funding issues. This matter is for information only.

The Public Works/Safety Committee Report of April 30, 2003, was approved as presented

and ordered placed on file in the City Clerk's Office upon motion by Council Member Reese, seconded by Council Member DeBlieck, and carried.

Planning and Development Services Director Peterson presented to the Mayor and Council for consideration a final plat for Janssen First Addition, a one-lot resident plat. It was noted that all services are available to the plat and all assessments paid. Council Member Reese moved to approve the final plat for Janssen First Addition with Council Member Fagerlie seconding the motion, which carried.

Planning and Development Services Director Peterson informed the Mayor and Council that Duinink Companies have petitioned for the annexation of 1.49 acres east of First Street South. It will border the new 28<sup>th</sup> Avenue Southeast, and will be the site of the Country Inn and Suites. Following discussion, Resolution No. 9 was introduced by Council Member Reese, seconded by Council Member DeBlieck, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

#### RESOLUTION NO. 9

WHEREAS, a Petition for Annexation (File #03-03) has been filed for the following described piece of property:

That part of the South ½ of the Southwest ¼ of Section 23, Township 119 North, Range 35 West, Kandiyohi County, Minnesota, described as follows: Commencing at the intersection of the North line of said South ½ of the Southwest ¼ and the East line of the West 600 feet of said South ½ of the Southwest ¼ ; thence on an assumed bearing of S 0°46'30"E, along last said line to the South line of the North 1093 feet of said South ½ of the Southwest ¼; thence on a bearing of S 89°55'55"E, along last said line, 17.00 feet; thence on a bearing of S 0°46'30"E, 237.66 feet to the South line of said Section 23, said point also being the point of beginning of the tract herein described; thence on a bearing of S 89°51'51"E, along last said line, 262.14 feet to the centerline of Branch No. 2 of County Ditch No. 23; thence on a bearing of N 58°48'36"E, along last said line, 98.39 feet; thence on a bearing of N 0°46'30"W, 142.84 feet; thence on a bearing of N 89°51'51"W, 347.00 feet; thence S 0°46'30"E, 194.00 feet to the point of beginning. Containing 1.49 acres, more or less.

WHEREAS, the Petitioners have certified and stated that they are the sole owners of said property.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that ownership of the afore-described property, by the petitioners, in the manner stated has been verified.

BE IT FURTHER RESOLVED that it has been verified that the Petition for Annexation includes not only the request to be annexed, but a request for City services/improvements/facilities/utilities.

Dated this 5<sup>th</sup> day of May, 2003.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday

Attest: CITY CLERK

Council Member DeBlieck offered a motion to introduce an Ordinance Extending the Corporate Limits of the City of Willmar and to schedule a hearing for May 19, 2003. Council Member Dokken seconded the motion, which carried.

City Administrator Schmit presented the 2003 City of Willmar Planning Retreat Report to the Mayor and Council for consideration. Following discussion, Council Member Anderson moved to adopt the Report with Council Member Chapin seconding the motion, which carried.

Announcements for Council Committee meeting dates were as follows: Finance, May 12; Public Works/Safety, May 13; Community Development, May 14; and Labor Relations, May 14, 2003.

Mayor Heitke read an Arbor Day Proclamation.

Mayor Heitke called for a recess at 9:04 p.m. and reconvened the meeting at 9:15 p.m.

Finance Director Steve Okins presented to the Mayor and Council the 2002 Finance Committee Departmental Annual Report. Following a question and answer period, the Report was ordered placed on file in the City Clerk's Office.

There being no further business to come before the Council, the meeting adjourned at 9:30 p.m. upon motion by Council Member DeBlieck, seconded by Council Member Fagerlie, and carried.

Attest:

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MAYOR

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SECRETARY TO THE COUNCIL